

2010 Property Tax Report

Huntington County

with comparisons between 2007 and 2010



Legislative Services Agency

July 2010

This report describes property tax changes in Huntington County between 2009 and 2010, with comparison to changes between 2007 and 2010. The report also shows the overall changes to property tax levies and property assessments since the recent property tax reforms have been implemented. Explanatory information is provided to highlight changes that are unique to Huntington County and those that have occurred throughout the state. Statewide averages are based on data from all counties except Lake and LaPorte.

Comparable Homestead Property Tax Changes in Huntington County

	2009 to 2010		2007 to 2010		
	Number of Homesteads	% Share of Total	Number of Homesteads	% Share of Total	
Summary Change in Tax Bill					
The average homeowner saw a 4.7% tax bill decrease from 2009 to 2010.	Higher Tax Bill	5,345	52.9%	259	2.6%
	No Change	362	3.6%	73	0.7%
	Lower Tax Bill	4,388	43.5%	9,763	96.7%
Average Change in Tax Bill		-4.7%		-38.5%	
Detailed Change in Tax Bill					
Homestead taxes in 2010 were still 38.5% lower than they were in 2007, before the property tax reforms.	20% or More	523	5.2%	126	1.2%
	10% to 19%	980	9.7%	44	0.4%
	1% to 9%	3,842	38.1%	89	0.9%
	0%	362	3.6%	73	0.7%
	-1% to -9%	1,621	16.1%	209	2.1%
	-10% to -19%	1,841	18.2%	555	5.5%
	-20% to -29%	515	5.1%	1,318	13.1%
	-30% to -39%	137	1.4%	2,727	27.0%
	-40% to -49%	60	0.6%	2,718	26.9%
	-50% to -59%	32	0.3%	1,092	10.8%
	-60% to -69%	23	0.2%	294	2.9%
-70% to -79%	24	0.2%	201	2.0%	
-80% to -89%	30	0.3%	163	1.6%	
-90% to -99%	4	0.0%	114	1.1%	
-100%	101	1.0%	372	3.7%	
Total	10,095	100.0%	10,095	100.0%	

Note: Percentages may not total due to rounding.

96.7% of homeowners saw lower tax bills in 2010 than in 2007.

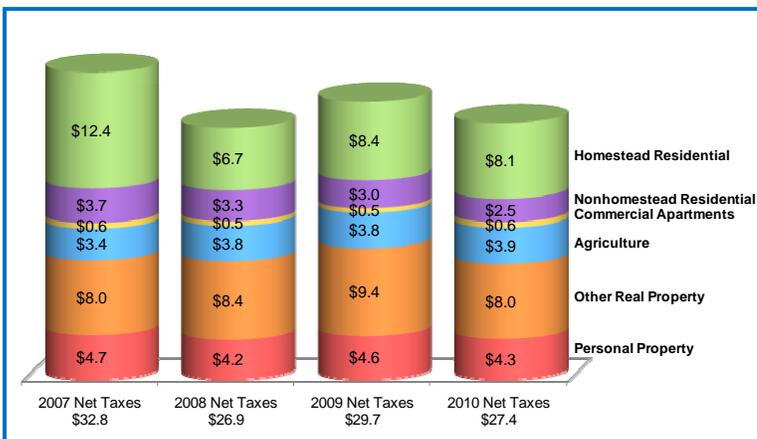
57.8% of homeowners saw tax changes ranging between +9% and -9% from 2009 to 2010.

The largest percentage of homeowners have seen between a 30% and 49% decrease in their tax bills from 2007 to 2010.

Huntington County Overview

The decline in homeowner tax bills was slightly larger than the state average of 2.1%. The assessed value of commercial and industrial real property fell in Huntington County in 2010, resulting in a small tax shift to homeowners. But property tax levies decreased 1.8% in the county in 2010, compared to the state average increase of 2.4%. This was mostly the result of a drop in the debt service and capital projects fund levies of the Huntington Community School Corporation. Huntington County homeowners benefitted about the same from the one percent property tax cap as did homeowners in the average county.

Comparison of Net Property Tax by Property Type
(In Millions)



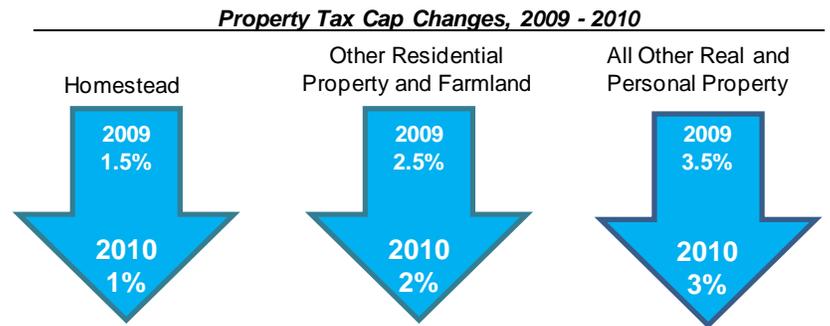
Net tax bills for all taxpayers decreased 8.1% in Huntington County from 2009 to 2010. This was larger than the statewide reduction of 1.4%. In 2010 apartment owners saw an 11.4% increase in tax bills. This large increase was due mainly to new investment. Existing apartment parcels declined by 13.6%, caused mainly by the tightening of the tax caps from 2.5% to 2% for rental housing. The tightening of the tax caps also affected nonhomestead residential property (mostly small rental residences), which saw an 18.5% decrease in tax bills. Other real and personal property, mostly commercial and industrial land, buildings, and equipment, saw a 14.6% and 7.1% decrease, respectively, in tax bills in 2010. This was mainly because of the tightening of tax caps from 3.5% to 3%.

Agricultural business property saw a 1.9% increase in tax payments in 2010 because the Huntington County tax levy decreases moderated the 4% increase in the base rate of farmland, from \$1,200 to \$1,250 per acre.

2010 Property Tax Policy Changes

Property Tax Caps. Property tax caps tightened to their permanent levels. The tighter caps meant more taxpayers were eligible for tax cap credits. This resulted in greater reductions in property tax revenue for local governments.

State Homestead Credits. State homestead credits were reduced by 43% between 2009 and 2010 as part of a scheduled phaseout. The average statewide credit rate fell from 8% to 5% as a result. The credit will be eliminated in 2011.



Tax Cap Credits

Tax cap credits in Huntington County in 2010 amounted to 11.8% of the total property tax levy. The statewide average was 6.3%. The larger percentage loss in the county was mainly due to higher-than-average tax rates in Huntington County. Tax rates in 6 of 22 taxing districts exceeded \$2, with two rates exceeding \$3 including one rate over \$4. These tax rates caused many properties in all cap classes to qualify for circuit breaker credits. Circuit breaker credits were, however, moderated in the 1% and 2% categories because the county provides a LOIT-funded residential property tax credit.

**2010 Circuit Breaker Credits by Cap Category
Huntington County Total \$3,842,559**

1%	2%	3%	Elderly
\$457,120	\$1,236,967	\$2,108,741	\$39,731
11.9%	32.2%	54.9%	1.0%

Huntington County, Huntington City, and the Huntington County Community School Corporation, along with the Huntington TIF district saw the largest revenue losses from the tax caps in 2010. As a percentage of total levies, the Town of Andrews lost the most of all taxing units, at 26.8%. The Huntington TIF district also lost 26.8% of TIF proceeds to circuit breaker credits. Losses were greatest for units that overlapped the municipalities of Huntington and Andrews because these tax districts had the highest tax rates.

The Effects of Recession

In Huntington County the recession has had an effect on the economy. The recession created upward pressure on property tax bills in several ways. The unemployment rate rose from 4.7% in December 2007 to 12.2% in July 2009. Job losses and income declines contributed to a 0.5% drop in local income tax revenue. Because part of this revenue is used for property tax relief, local property tax credits declined in Huntington County in 2010.

Huntington County Gross Assessed Value by Property Type

Property Type	Gross AV 2009	Gross AV 2010	Gross AV Change
Homesteads	1,274,948,700	1,239,468,360	-2.8%
Other Residential	128,789,800	127,453,300	-1.0%
Ag Business/Land	239,447,700	248,703,900	3.9%
Business Real/Personal	702,951,460	678,648,517	-3.5%
Total	\$2,346,137,660	\$2,294,274,077	-2.2%

In addition, the recession reduced new construction, so less new property was added to assessment roles. The recession also reduced some property values, which affected assessed values through annual trending. Lower assessed values may result in higher tax rates for local taxpayers. In those instances where taxpayers' bills are limited by the caps, the higher rates may result in higher circuit breaker credits, causing increased revenue losses for local governments.

In Huntington County, the gross assessed value of business real and personal property fell 3.5% in 2010. Other assessment categories decreased while agricultural business/land rose 3.9%. Total gross assessed value in Huntington County fell 2.2%. This was lower than the state average increase of 0.6%.

The tables on the following pages illustrate 2007 – 2010 levy comparisons, 2010 tax rates and credit rates, and 2010 circuit breaker losses by taxing unit.

Huntington County Levy Comparison by Taxing Unit

Taxing Unit	2007	2008	2009	2010	% Change		
					2007-2008	2008-2009	2009-2010
<i>County Total</i>	42,500,755	41,576,303	31,132,689	30,566,864	-2.2%	-25.1%	-1.8%
State Unit	34,788	37,276	0	0	7.2%	-100.0%	
Huntington County	7,270,837	7,031,235	6,355,566	6,428,174	-3.3%	-9.6%	1.1%
Clear Creek Township	55,970	59,128	54,689	55,193	5.6%	-7.5%	0.9%
Dallas Township	45,405	47,684	44,296	46,079	5.0%	-7.1%	4.0%
Huntington Township	283,118	291,961	292,830	302,075	3.1%	0.3%	3.2%
Jackson Township	34,078	40,763	42,372	43,751	19.6%	3.9%	3.3%
Jefferson Township	29,946	30,924	31,351	32,504	3.3%	1.4%	3.7%
Lancaster Township	24,739	25,938	25,683	25,893	4.8%	-1.0%	0.8%
Polk Township	20,284	20,849	20,859	21,517	2.8%	0.0%	3.2%
Rock Creek Township	15,010	23,957	25,156	45,020	59.6%	5.0%	79.0%
Salamonie Township	19,525	20,412	21,062	33,345	4.5%	3.2%	58.3%
Union Township	13,244	12,985	14,068	33,098	-2.0%	8.3%	135.3%
Warren Township	39,083	41,132	41,586	42,762	5.2%	1.1%	2.8%
Wayne Township	21,017	22,327	22,908	23,318	6.2%	2.6%	1.8%
Huntington Civil City	8,310,059	8,537,654	7,967,639	8,486,539	2.7%	-6.7%	6.5%
Andrews Civil Town	279,098	284,146	296,396	309,171	1.8%	4.3%	4.3%
Markle Civil Town	179,986	231,156	214,669	227,173	28.4%	-7.1%	5.8%
Mount Etna Civil Town	3,873	3,694	52	4,326	-4.6%	-98.6%	8219.2%
Roanoke Civil Town	398,863	429,800	458,887	488,713	7.8%	6.8%	6.5%
Warren Civil Town	250,205	256,795	265,294	269,600	2.6%	3.3%	1.6%
Huntington County Comm School Corp	23,350,460	22,361,100	13,105,714	11,769,647	-4.2%	-41.4%	-10.2%
Andrews Public Library	44,312	46,639	48,043	49,637	5.3%	3.0%	3.3%
Roanoke Public Library	46,485	48,585	49,196	54,512	4.5%	1.3%	10.8%
Warren Public Library	68,537	73,978	75,834	78,547	7.9%	2.5%	3.6%
Huntington Library	1,508,183	1,436,208	1,492,260	1,524,818	-4.8%	3.9%	2.2%
Huntington County Solid Waste Mgt Dist	153,650	159,977	166,279	171,452	4.1%	3.9%	3.1%
Huntington City Redevelopment Comm	0	0	0	0			

Huntington County Tax Rates, Credit Rates, and Net Tax Rates for Homesteads by Taxing District

Dist #	Taxing District	Tax Rate	Credit Rates						Net Tax Rate, Homesteads	
			LOIT PTRC	State Homestead	COIT Homestead	CEDIT Homestead	CEDIT Residential	LOIT Homestead		LOIT Residential
35001	Clear Creek Township	1.5215	--	4.2062%	--	--	--	--	11.9444%	1.2758
35002	Dallas Township	1.6914	--	4.2062%	--	--	--	--	11.9444%	1.4182
35003	Andrews Town	4.3916	--	4.2062%	--	--	--	--	11.9444%	3.6823
35004	Huntington Township	1.8470	--	4.2062%	--	--	--	--	11.9444%	1.5487
35005	Huntington City	3.8272	--	4.2062%	--	--	--	--	11.9444%	3.2091
35006	Jackson Township	1.4886	--	4.2062%	--	--	--	--	11.9444%	1.2482
35007	Roanoke Town	2.6484	--	4.2062%	--	--	--	--	11.9444%	2.2207
35008	Jefferson Township	1.5292	--	4.2062%	--	--	--	--	11.9444%	1.2822
35009	Mount Etna Town-Jefferson Town	1.7361	--	4.2062%	--	--	--	--	11.9444%	1.4557
35010	Lancaster Township	1.5068	--	4.2062%	--	--	--	--	11.9444%	1.2634
35011	Mount Etna Town-Lancaster Town	1.7199	--	4.2062%	--	--	--	--	11.9444%	1.4421
35012	Polk Township	1.5400	--	4.2062%	--	--	--	--	11.9444%	1.2913
35013	Mount Etna Town-Polk Township	1.7509	--	4.2062%	--	--	--	--	11.9444%	1.4681
35014	Rock Creek Township	1.5430	--	4.2062%	--	--	--	--	11.9444%	1.2938
35015	Markle Town	2.8256	--	4.2062%	--	--	--	--	11.9444%	2.3692
35016	Salamonie Township	1.6177	--	4.2062%	--	--	--	--	11.9444%	1.3564
35017	Warren Town	2.4771	--	4.2062%	--	--	--	--	11.9444%	2.0770
35018	Union Township	1.4979	--	4.2062%	--	--	--	--	11.9444%	1.2560
35019	Warren Township	1.5797	--	4.2062%	--	--	--	--	11.9444%	1.3246
35020	Wayne Township	1.5172	--	4.2062%	--	--	--	--	11.9444%	1.2722
35021	Mount Etna Town-Wayne Township	1.7389	--	4.2062%	--	--	--	--	11.9444%	1.4581
35022	Markle Union	2.8076	--	4.2062%	--	--	--	--	11.9444%	2.3542

Notes: A *Taxing District* is a geographic area of a county where taxing units overlap, so the sum of the taxing unit tax rates is the total district rate.

The *Tax Rate* is the gross levy divided by net assessed value, in dollars per \$100 assessed value.

The *State Homestead Credit* is the HEA1001-2008 special rate, which will be eliminated after 2010.

The *LOIT, COIT, and CEDIT* credits are funded by local income taxes.

The *Net Tax Rate for Homesteads* is calculated by reducing the tax rate by the various credit percentages.

Huntington County 2010 Circuit Breaker Cap Credits

Taxing Unit Name	Circuit Breaker Credits by Property Type					Total	Levy	Circuit Breaker as % of Levy
	(1%) Homesteads	(2%) Other Residential and Farmland	(3%)		Total			
			All Other Real/Personal	Elderly				
<i>Non-TIF Total</i>	457,120	1,218,319	1,630,499	39,731	3,345,669	30,566,864	10.9%	
<i>TIF Total</i>	0	18,648	478,242	0	496,890	2,099,051	23.7%	
<i>County Total</i>	457,120	1,236,967	2,108,741	39,731	3,842,559	32,665,915	11.8%	
Huntington County	62,104	163,774	216,287	6,615	448,780	6,428,174	7.0%	
Clear Creek Township	0	0	0	4	4	55,193	0.0%	
Dallas Township	24	439	346	7	815	46,079	1.8%	
Huntington Township	4,159	10,626	15,188	393	30,367	302,075	10.1%	
Jackson Township	98	109	0	30	237	43,751	0.5%	
Jefferson Township	0	0	0	28	28	32,504	0.1%	
Lancaster Township	0	0	0	6	6	25,893	0.0%	
Polk Township	0	0	0	24	24	21,517	0.1%	
Rock Creek Township	29	139	0	36	204	45,020	0.5%	
Salamonie Township	2	37	0	5	44	33,345	0.1%	
Union Township	0	1	0	5	6	33,098	0.0%	
Warren Township	0	0	0	53	53	42,762	0.1%	
Wayne Township	0	0	0	2	2	23,318	0.0%	
Huntington Civil City	232,314	593,534	848,364	13,844	1,688,056	8,486,539	19.9%	
Andrews Civil Town	2,427	44,670	35,164	687	82,949	309,171	26.8%	
Markle Civil Town	1,298	6,316	0	1,535	9,148	227,173	4.0%	
Mount Etna Civil Town	0	0	0	18	18	4,326	0.4%	
Roanoke Civil Town	7,186	8,016	0	1,259	16,461	488,713	3.4%	
Warren Civil Town	198	3,455	0	151	3,804	269,600	1.4%	
Huntington County Comm School Corp	113,708	299,862	396,011	12,111	821,692	11,769,647	7.0%	
Andrews Public Library	95	1,743	1,372	27	3,238	49,637	6.5%	
Roanoke Public Library	802	894	0	140	1,836	54,512	3.4%	
Warren Public Library	22	376	0	22	419	78,547	0.5%	
Huntington Library	30,999	79,959	111,998	2,552	225,509	1,524,818	14.8%	
Huntington County Solid Waste Mgt Dist	1,656	4,368	5,769	176	11,970	171,452	7.0%	
Huntington City Redevelopment Comm	0	0	0	0	0	0		
TIF - Hunt Twp	0	0	0	0	0	36,192	0.0%	
TIF - Htgn Corp	0	18,029	478,242	0	496,270	1,851,945	26.8%	
TIF - Roanoke Corp	0	343	0	0	343	26,119	1.3%	
TIF - Markle Corp	0	31	0	0	31	10,049	0.3%	
TIF - Salamonie Township	0	0	0	0	0	97,130	0.0%	
TIF - Union Twp	0	0	0	0	0	19,659	0.0%	
TIF - Markle Union	0	246	0	0	246	57,957	0.4%	

Notes: Circuit breaker tax cap credits are tax savings for taxpayers and revenue losses for local government units. Circuit breaker credits are highest in tax districts with the highest tax rates. These are usually districts that include cities or towns because the municipal tax rate is included in the district tax rate. This means that most circuit breaker credits are in cities and towns and in units that overlap cities and towns.

Circuit Breaker Credit Types:

Homesteads are owner-occupied primary residences and include homestead land and buildings in the 1% tax cap category. Owner-occupied mobile homes and agricultural homesteads are included in this category. This category only includes credits on the portion of the property that qualifies as a homestead.

Other Residential/Farmland includes small rental housing units, larger commercial apartments, second homes, long-term care facilities, and farmland, in the 2% tax cap category.

All Other Real/Personal is commercial, industrial, and utility land and buildings, and business equipment, including agricultural equipment, in the 3% tax cap category. This category also includes credits on the portion of homeowner properties that do not qualify as a homestead.

Elderly includes credits for the 2% annual limit on homestead tax bill increases for low-income homeowners, age 65 and over.

The *Total Levy by Unit* is gross property taxes levied, before all tax credits. For TIF districts, this amount represents the TIF proceeds before circuit breaker credits. This information is included to allow comparison to the circuit breaker revenue losses.

Numbers may not total due to rounding.